COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KEN MERIDETH)
COMPLAINANT))
v.) CASE NO. 2005-00313
WARREN COUNTY WATER DISTRICT)
DEFENDANT)

ANSWER

The Warren County Water District ("Water District"), by counsel, pursuant to 807 KAR 5:001, Section 12, for its written Answer to the Complaint filed herein, states as follows: The Complaint received by the Public Service Commission ("Commission") on July 26, 2005 alleges that the Water District has failed to comply with the Commission's decision in Case No. 2001-00385 (referred to as "385"). Likewise, the Complaint seems to allege that the Water District has failed to comply with 807 KAR 5:095.

The Warren County Water District has fully complied with the Order in Case No. 385 as codified in 807 KAR 5:095. Specifically, in accordance with 807 KAR 5:095, Section 4 the Water District does "permit a customer to connect a private fire protection system to a service line that serves the customer for other purposes, including domestic consumption..." and in accordance with Section 5(a) the Water District does not "assess a separate charge or fee for private fire protection service if the customer's private fire protection system is directly connected to a service line that serves the customer for other purposes."

The Complaint filed by Ken Merideth refers to Greenwood Skate Center. However, the water service that the Water District provides to 506 Three Springs Road is in the name of "Baggett Enterprises" ("BE") with an address of P. O. Box 31A, Route 2, Cottontown, Tennessee, 37048.

BE applied for a 4-inch water meter October 29, 1980 with a monthly charge of \$49.60. In accordance with the application, a 4-inch meter vault and bypass was to be installed. The bypass was only to be used in case the water meter had to be taken out of service for testing and maintenance and the water service could still be provided for normal water usage during that time. It was BE's decision to have one service connection installed to use for all of its water usage. The Water District would have been receptive to two service connections separating the private fire protection and water use for other purposes. It would have been to the Water District's advantage to have two separate services. BE then ran their own private 4-inch water line from the meter to their building a distance of a couple of hundred feet.

In May of 1990, the Water District's "unaccounted for water" team determined that most of the water used by BE was not registering on the 4-inch meter. A 4-inch meter will not measure flows accurately below 10 gallons per minute.

On June 6, 1990, the normally closed bypass around the 4-inch meter was retrofitted with a 1-inch meter for the purpose of measuring the low flow usage by BE not registering on the 4-inch meter. The low flows register on the small meter until the flow reaches a point that the pressure starts to fall then a 4-inch check valve opens and allows higher flow rates to come through the 4-inch meter. There are two meters and the usage on the two meters are combined and billed as if there was only one meter. The billings

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records for the past two years reflect water used each month through each meter with 28.4 to 31.4 percent of the water each month flowing through the 4-inch meter.

The Water District has met with Mr. Merideth and advised him that he could make application for a 1-inch meter installation which currently costs \$550 and run his own 1-inch service line from the meter to his building separating the normal water usage in the building from the fire service line. This would then allow the conversion of the existing 4-inch service to a private fire service connection with a minimum monthly bill of \$63.41. However, if Mr. Merideth desires to continue to receive service as he presently is with all his usage going through the one 4-inch service connection, the general service rates are charged. General service rates are proposed (Case No. 2005-00299) to be reduced for a 4-inch connection from \$182.64 for the first 50,000 gallons to \$125.68 for the first 30,000 gallons.

All billing and service provided to BE has been in accordance with the rules and regulations of the Public Service Commission along with tariffs, rates and charges as approved by the Public Service Commission. Furthermore, all of the Water District's rates, charges and reporting procedures are established in accordance with the laws of the Commonwealth of Kentucky and regulations of the PSC.

DATED this // day of August, 2005.

COLE & MOORE, P.S.C.

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BY:

Steer Word Frank Hampton Moore, Jr.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was on the _____ day of August, 2005, mailed through the U.S. Mail, first class, postage prepaid, to the following:

Original and

Beth A. O'Donnell

Ten copies to:

Executive Director

Public Service Commission

211 Sower Boulevard

P. O. Box 615

Frankfort, KY 40602

Copies to:

Joe Liles

General Manager

Warren County Water District 523 U.S. Highway 31-W By Pass

P. O. Box 10180

Bowling Green, KY 42102-4780

Ken Merideth

Greenwood Skate Center 506 Three Springs Road Bowling Green, KY 42104

Frank Hampton Moore, Jr.